

AQO

## MEMORANDUM FOR RECORD

SUBJECT: AQO Staff Meeting Minutes, May 27, 97

SPI TEAM CHIEF. Congratulataions to Ms. Marialane Schultz who has been selected permanently as the Single Process Initiative Team Chief.

### SINGLE PROCESS INITIATIVE (SPI).

o On May 22, Syd Pope from the DCMC SPI Team participated in a Joint Industry Conference (JIC) planning meeting with representatives from the Aerospace Industries Association (AIA), Electronic Industries Association (EIA), and Office of the Secretary of Defense (OSD). Other industry associations are expected to join the JIC planning group. The theme for this year's conference is SPI. The plan is to hold the conference October 28-30 at the Sheraton National Hotel, Arlington, VA. The panels and workshops will cover SPI topics such as high payoff processes, subcontractor SPIs, Management Council roles, and consideration. This will be a very important conference for promoting SPI and Management Councils.

### GENERAL COUNSEL (GC).

o From Federal Contracts Report: Lockheed Corp. vs. Air Force, CA FC, No. 95-1025, May 15, 1997. CA FC reverses the Armed Services Board of Contract Appeals (ASBCA) and finds that Lockheed's unintentional underpayment of state taxes is not "interest on borrowings" and thus not an unallowable cost.

### PRODUCT & MANUFACTURING ASSURANCE TEAM (AQOG).

o Ms. Georgeanna Adams conducted a briefing titled: "Changing Role of Quality" at Defense Supply Center Richmond's Seventh Annual Business conference on 19 May 1997 at the Richmond Marriott Hotel. The main focus of the briefing was what's driving the change, performance based specifications, transition to insight, adapting to change, and improving the top 7. The majority of the participants seemed pleased with DCMC and the direction we are going. A couple expressed their unhappiness with DCMC and Ms. Adams, COL Washington, Commander, DCMC New York, and Mr. Robert Murphy, DCMC Liaison to DSCR, were able to address the issues raised. One participant needed additional assistance and Mr. Murphy took her name and number to follow up on her concerns.

o AQOG has responded to several field inquiries regarding DCMC Memorandum No. 97-50 which canceled DCMC Policy Letter 94-15. The questions received and replies given are as follows:

QUESTION - Can QARs inspect and accept item when the contractual delivery date has passed?

ANSWER: Yes. However, this does not change the contractor's obligation to deliver items on time or the requirement for DCMC to take appropriate action when contracts are delinquent.

QUESTION: What takes precedence if the contract is stamped "Late delivery not authorized," "Do not accept late delivery" etc.?

ANSWER: The contract. In these cases, do not accept the product.

### PRODUCT DESIGN, DEVELOPMENT & CONTROL TEAM (AQOF).

- o CDR Seveney and Kevin Holt met with District Staff Software and Workforce Development personnel last week to conduct a series of meetings regarding the Software Professional Development Program (SPDP) including:
  - oo maintenance actions required for SPDP courses to ensure adequacy of technical content, currency with the latest acquisition reform initiatives and HQ policy.
  - oo program review on execution of the FY-97 SPDP schedule, and data reconciliation of the Training DBMS for SPDP Level I and II progress.
  - oo planning for the FY-98 SPDP course schedule.
- o Software Center JOAs have closed and review of the applicant packages will begin at HQ next week.
- o Tito Maldonado will be in Skyline 2 at a DoD Configuration Management Advisory Group meeting all week. The meeting is to conduct final review and release for publication MIL-STD-2549, Configuration Management Interface Standard.
- o Col Harper will be on leave all week. The acting team chief for the week of 26 May is CDR Jim Seveney.

#### CONTRACT PAYMENT & BUSINESS PRACTICES TEAM (AQOC).

o Logistics Civil Augmentation Program (LOGCAP).  
 The Defense Contract Management Command (DCMC) will continue to share similar relationship with the US Army Materiel Command (AMC) and DynCorp Aerospace Technology, as currently with the US Army Corps of Engineers (CoE) and the Brown and Root Services Corporation (BRSC). The AMC LOGCAP Project Manager (PM) has already indicated his intent to have DCMC administer their LOGCAP contracts by incorporating the Defense Contract Management District International (DCMDI) as part of the LOGCAP Team (which includes the AMC LOGCAP PM office, AMC Logistics Support Elements, DCMDI, CoE, and DynCorp). This commitment was reiterated several times by the PM LOGCAP during the Apr 21 - 24, 1997 LOGCAP Worldwide Requirements Conference. DCMDI has signed a memorandum of understanding (MOU) with AMC, which is very similar to their MOU with the CoE. DCMDI has also attended "partnering sessions" with AMC, CoE, and representatives from each of the Unified Commands and Service Components.

It is DCMC's policy to support requests for contingency contract administration services (CCAS) during contingencies, military operations other than war, stability and support operations, and war. Defense Contract Management District East (DCMDE) and Defense Contract Management District West (DCMDW) will continue to be tasked to provide personnel in support of CCAS support. DCMDI is responsible for coordinating with both DCMDE and DCMDW to ensure that fully trained and qualified CCAS teams are readily available for deployment on-call. Both Districts are currently required to develop and maintain ten 15-person deployable CCAS teams.

DCMC has provided CCAS for several recent LOGCAP operations. We have sent CCAS teams to Haiti (Operation Uphold Democracy), Somalia (Operation Restore Hope), and the former Yugoslavia (Operations Joint Endeavor/Guard). We presently have 22 personnel deployed as a CCAS team in support of OJG. Each team currently serves a six month tour.

Like the Army's LOGCAP program, when the Air Force executes their Air Force Civil Augmentation Program (AFCAP) for an event, DCMC will be called upon to manage the contract. DCMDI participated in the AFCAP source selection. The AFCAP was awarded in Feb 1997 to the Readiness Management Support, which is a joint venture between Johnson Control Worldwide Services and Lockheed Martin. DCMDI is currently working on an MOU with the Air Force.

APPROVED:

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 Contract Management Policy